

CDS ADMISSION AGREEMENT

THIS AGREEMENT is made on [●]

BETWEEN

- (1) "Banque Centrale de Compensation", a clearing house for financial instruments, incorporated as a French law *société anonyme* with its registered office at 18, rue du Quatre Septembre 75002 Paris, France, registered in the Commerce and Companies Register of Paris under the number 692 032 485, for the purposes hereof duly represented by Jean-Marie Boudet, acting in the capacity of Chief Risk Officer Europe, ("**LCH.Clearnet SA**"); and
- (2) [●], with its registered office at [●], incorporated in [●], [[recorded in][registered at]] [●], under the number [●], (the "**CDS Clearing Member**"),

(each a "**Party**" and collectively, the "**Parties**").

WHEREAS

- (A) LCH.Clearnet SA is a clearing house within the meaning of Article L. 440-1 of the French Monetary and Financial Code and Article 2 (1) of Regulation (EU) n° 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.
- (B) LCH.Clearnet SA acts as a central counterparty for clearing Original Transactions entered into between the CDS Buyer and the CDS Seller in accordance with the CDS Clearing Documentation. LCH.Clearnet SA is under the supervision of its Competent Authorities within the scope of their respective remit as granted by their national law and has additionally been notified to the European Commission as a securities settlement system for the purposes of the Settlement Finality Directive.
- (C) In this capacity, within the framework of its statutory and regulatory prerogatives, LCH.Clearnet SA has established the CDS Clearing Documentation, in accordance with which it clears Original Transactions, supervises the Cleared Transactions registered in the name of the Clearing Members, calculates the associated risk, calls Margin to cover this risk, ensures the proper settlement of the Cleared Transactions as central counterparty, manages the CDS Default Management Process and performs all other functions specified in the CDS Clearing Documentation.
- (D) The CDS Clearing Member desires to be admitted to membership of the CDS Clearing System for the purpose of clearing Original Transactions and LCH.Clearnet SA, having determined that the CDS Clearing Member satisfies for the time being the relevant criteria for admission, agrees to admit the CDS Clearing Member to membership of the CDS Clearing System, subject to the terms and conditions of this Agreement, as amended from time to time.

1 PURPOSE AND SCOPE

- 1.1** This Agreement sets out the terms and conditions on which LCH.Clearnet SA agrees to admit the CDS Clearing Member to membership of the CDS Clearing Service pursuant to the CDS Clearing Documentation, and those on which the CDS Clearing Member shall undertake its CDS clearing activities pursuant to and in accordance with the CDS Clearing Documentation.
- 1.2** Execution of this Agreement supersedes and terminates any previous membership agreement which may have been in place between the Parties with respect to the CDS Clearing Service.
- 1.3** Without prejudice to Section 20 below, this Agreement, together with:
- 1.3.1** the terms of any other agreement relating to the provision of the CDS Clearing Service by LCH.Clearnet SA to which the Parties are party;
 - 1.3.2** the terms of and applicable to each and every Cleared Transaction;
 - 1.3.3** the CDS Clearing Documentation; and
 - 1.3.4** all amendments duly made to any of the foregoing,
- shall together constitute a single agreement between the Parties, and both Parties acknowledge that all Cleared Transactions are entered into in reliance upon the fact that all such items constitute a single agreement between the Parties.

2 DEFINITIONS AND INTERPRETATION

- 2.1** Capitalised terms used in this Agreement shall, unless specifically provided otherwise, have the meanings stipulated in the document entitled "CDS Clearing Rule Book" published by LCH.Clearnet SA, as amended from time to time (the "**CDS Clearing Rule Book**").
- 2.2** References in this Agreement to a Section are to a Section of this Agreement unless otherwise indicated, and Section headings are for ease of reference only.
- 2.3** Unless the context otherwise requires, words (including defined terms) denoting the singular shall include the plural and vice versa.
- 2.4** References to writing include typing, printing, lithography, photography, facsimile transmission, and other modes of representing or reproducing words in a visual form.
- 2.5** References in this Agreement to statutes, statutory instruments, the CDS Clearing Documentation (or any document forming part of the CDS Clearing Documentation) or provisions thereof, are to those statutes, statutory instruments, the CDS Clearing Documentation (or any document forming part of the CDS Clearing Documentation) or provisions thereof as amended, modified or replaced from time to time.

3 CLEARING MEMBERSHIP

- 3.1** The CDS Clearing Member is hereby admitted as a clearing member of the CDS Clearing Service on the terms set out in this Agreement. The CDS Clearing Member shall be eligible to clear all categories of Original Transactions contemplated under the CDS Clearing

Service from time to time, subject in each case to meeting any additional requirements specified in the Procedures from time to time.

- 3.2** The CDS Clearing Member warrants that the information supplied to LCH.Clearnet SA for the purposes of determining whether it has satisfied the conditions for admission, as set out in Title II (*Membership*) of the CDS Clearing Rule Book and Section 1 of the Procedures (*Membership*), was when provided and is at the date of this Agreement true and accurate in all material respects.
- 3.3** The Parties undertake to comply at all times with this Agreement and the CDS Clearing Documentation, as amended from time to time.
- 3.4** LCH.Clearnet SA and the CDS Clearing Member each represent to the other that, as at the date of this Agreement, and at all times prior to the termination of this Agreement:
- 3.4.1** it is duly incorporated or otherwise organised and validly existing under the laws of its jurisdiction of incorporation;
 - 3.4.2** it has the power and authority to enter into this Agreement and has taken all necessary corporate actions to authorise the execution of this Agreement;
 - 3.4.3** to the extent it is required under Applicable Law to be authorised, licensed or approved in relation to activities undertaken by it, that all required governmental and/or regulatory and other consents with respect to this Agreement, have been obtained and are in full force and effect and that any or all conditions of any such consents have been and are complied with;
 - 3.4.4** it has full knowledge and understanding of the provisions of the CDS Clearing Documentation and shall abide by its obligations under the CDS Clearing Documentation;
 - 3.4.5** execution, delivery and performance of this Agreement do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;
 - 3.4.6** its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law));
 - 3.4.7** no Event of Default or LCH Default, as applicable, with respect to it has occurred and is continuing and no Event of Default or LCH Default, as applicable, would occur as a result of its entering into or performing its obligations under this Agreement; and
 - 3.4.8** there is not pending or, to its knowledge, threatened against it, any action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator that is likely to affect the legality, validity or

enforceability against it of this Agreement or its ability to perform its obligations under this Agreement.

- 3.5** The Parties agree that the maximum amount of any fine that LCH.Clearnet SA can impose on the CDS Clearing Member, pursuant to Paragraph 8.3 of Section 8 of the Procedures (*Disciplinary Proceedings*), is as set out in the fine grid at Schedule 3 to this Agreement.

4 DELEGATION

The CDS Clearing Member irrevocably delegates LCH.Clearnet SA, in favour of each of its Clients, in the payment to each of its Clients of an amount equal to the CDS Client Clearing Entitlement calculated in respect of each of its Clients, if any. The Delegation is a *délégation imparfaite* governed by articles 1275 *et seq.* of the French Civil Code and the CDS Clearing Documentation. Accordingly, the CDS Clearing Member irrevocably:

- (i) directs LCH.Clearnet SA to pay to each of its Clients, an amount equal to the relevant CDS Client Clearing Entitlement, if positive; and
- (ii) agrees that, upon LCH.Clearnet SA paying the amount due in accordance with the Delegation to each Client of the CDS Clearing Member, LCH.Clearnet SA shall irrevocably be discharged *pro tanto* from paying an amount equal to the relevant CDS Client Clearing Entitlement to the CDS Clearing Member automatically without further notice;

For the avoidance of doubt, this Delegation shall not restrict or otherwise prejudice the entitlement of the CDS Clearing Member to any Collateral in relation to its House Margin Account save as expressly provided above.

5 TRANSFER OF CLIENT PLEDGED ELIGIBLE COLLATERAL FOLLOWING AN EVENT OF DEFAULT

The CDS Clearing Member covenants that, immediately upon LCH.Clearnet SA issuing a Default Notice declaring it to be a Defaulting Clearing Member and requesting it to transfer Client Pledged Eligible Collateral, in accordance with the CDS Clearing Rule Book and Section 3 of the Procedures, the CDS Clearing Member will transfer the ownership of the Client Pledged Eligible Collateral to LCH.Clearnet SA to facilitate:

- (i) the transfer of Ported Collateral to an appointed Backup Clearing Member; and/or
- (ii) the payment of the CDS Client Clearing Entitlement,

in accordance with the CDS Clearing Rules.

6 FEES, COSTS AND PAYMENT TERMS

- 6.1** In consideration of being granted membership of the CDS Clearing Service, the CDS Clearing Member shall pay LCH.Clearnet SA fees in accordance with Section 1.2.6 (*Fees*) of the CDS Clearing Rule Book.

- 6.2** All fees shall be payable by the CDS Clearing Member to LCH.Clearnet SA, in Euro, on a monthly basis in accordance with Section 6.5.

- 6.3** The CDS Clearing Member shall issue a Power of Attorney in favour of LCH.Clearnet SA to allow the debiting or crediting of the TARGET2 Account (or the relevant cash account of its TARGET2 Payment Agent), which is used to satisfy Collateral Calls made by LCH.Clearnet SA using its LCH House TARGET2 Account in accordance with Section 3 of the Procedures, for the purposes of fee payments pursuant to Section 6.1.
- 6.4** LCH.Clearnet SA may index or adjust the fees published on the Website from time to time at its discretion. LCH.Clearnet SA shall give the CDS Clearing Member no less than thirty (30) calendar days' prior notice of any such change.
- 6.5** On the date falling ten (10) Business Days after the end of each calendar month, LCH.Clearnet SA shall debit any due and payable fees (the "**Fee Balance**") from the relevant CDS Clearing Member's TARGET2 Account (or the relevant cash account of its TARGET2 Payment Agent) using its Power of Attorney. On or before the fifth Business Day after the end of each calendar month, LCH.Clearnet SA shall issue an invoice to the CDS Clearing Member detailing the Fee Balance to be debited pursuant to this Section 6.5 (the "**Fee Notice**").
- 6.6** In circumstances where LCH.Clearnet SA is not able to debit the Fee Balance from the relevant CDS Clearing Member's TARGET2 Account (or the relevant cash account of its TARGET2 Payment Agent) using its Power of Attorney, the CDS Clearing Member shall pay the Fee Balance to LCH.Clearnet SA within thirty (30) calendar days of receiving the Fee Notice from LCH.Clearnet SA and in such manner as specified in the Fee Notice.

7 MARKET DATA, END OF DAY CONTRIBUTED PRICES AND MARKET LCH SETTLEMENT PRICES

- 7.1** Subject to Section 7.3, LCH.Clearnet SA may require the CDS Clearing Member to provide it with Market Data. The CDS Clearing Member will satisfy its obligation to provide LCH.Clearnet SA with Market Data by acting in accordance with the procedure set out in Section 5 (*CDS Clearing Operations*) of the Procedures.
- 7.2** The CDS Clearing Member hereby warrants that it has put in place such arrangements as are necessary for it to provide LCH.Clearnet SA with Market Data in accordance with Section 5 (*CDS Clearing Operations*) of the Procedures and will inform LCH.Clearnet SA of any termination or material change to such agreement that will impede its fulfilment of obligations with respect to the provision of Market Data.
- 7.3** LCH.Clearnet SA acknowledges that the CDS Clearing Member shall not be obliged to provide Market Data which it is restricted from disclosing by law or regulation or as a result of agreements with third parties which predate the date of this Agreement. In the absence of any notification at the date of this Agreement by the CDS Clearing Member, LCH.Clearnet SA shall be entitled to assume no such third party agreements exist.
- 7.4** In respect of any Market Data provided to LCH.Clearnet SA in accordance with this Agreement and the CDS Clearing Documentation:
- 7.4.1** the CDS Clearing Member will retain all ownership and intellectual property rights or other rights in respect of that Market Data;

- 7.4.2 LCH.Clearnet SA will keep that Market Data securely and properly protected against theft, damage, loss and unauthorised access;
- 7.4.3 LCH.Clearnet SA will treat the CDS Clearing Member's Market Data as strictly confidential and shall not display, disclose, distribute, identify or otherwise make it available to any person other than to:
- (i) a third party data aggregator that is responsible for compiling the End of Day Contributed Prices in accordance with the CDS Clearing Documentation (a "**Third Party Data Aggregator**"); or
 - (ii) the CDS Clearing Member that has provided it;
- 7.4.4 LCH.Clearnet SA may only use the Market Data to aggregate it, or permit a Third Party Data Aggregator to aggregate it, with the Market Data received from all other Clearing Members for the purpose of creating the End of Day Contributed Prices for the CDS Clearing Service and LCH.Clearnet SA will not use the Market Data received from the CDS Clearing Member for any other purpose.
- 7.5 LCH.Clearnet SA may only use any data aggregated from the Market Data, including the End of Day Contributed Prices (the "**Aggregated Data**"):
- 7.5.1 for the purpose of the CDS Clearing Service, for clearing and settlement, including:
- (i) to calculate the Margin Requirements, Variation Margin Requirements or Contribution Requirement of each Clearing Member;
 - (ii) to calculate Markit LCH Settlement Prices;
 - (iii) to value Cleared Transactions; and
 - (iv) to distribute Markit LCH Settlement Prices and provide valuation reporting to each Clearing Member; and
- 7.5.2 for the purpose of responding to:
- (i) ad hoc queries from Clearing Members and industry bodies (but not systematic, regular distribution) relating to the CDS Clearing Service; and
 - (ii) surveys conducted by relevant international organisations (such as IOSCO) relating to the CDS Clearing Service.
- provided that where the responses to queries or surveys pursuant to this Section 7.5.2 are to include the Markit LCH Settlement Prices, this data may be communicated only with the prior consent of the Third Party Data Aggregator, such consent not to be unreasonably withheld.
- 7.6 LCH.Clearnet SA shall not use or share any Aggregated Data with third parties other than a Third Party Data Aggregator (whether for fees or otherwise), save with the written prior consent or at the written proposal of at least 50% of Clearing Members by reference to the volume of Open Positions held in the Clearing Members' House Margin Accounts.
- 7.7 LCH.Clearnet SA hereby undertakes that it has full rights and authority to provide Markit LCH Settlement Prices to the CDS Clearing Member and to allow the CDS Clearing

Member to use and/or disclose the Markit LCH Settlement Prices for the purposes set out in Section 4.2.8 (*Markit LCH Settlement Price*) of the CDS Clearing Rule Book.

- 7.8** The CDS Clearing Member acknowledges and agrees that any Third Party Data Aggregator shall be an intended third party beneficiary of Section 4.2.8 (*Markit LCH Settlement Price*) of the CDS Clearing Rule Book.
- 7.9** Nothing in Section 7.7 shall prevent the CDS Clearing Member from using the Markit LCH Settlement Prices (and any other Aggregated Data provided to it) for any purpose where it is permitted to do so by the relevant Third Party Data Aggregator or any other third party with the requisite authority.
- 7.10** Where LCH.Clearnet SA makes Market Data available to a Third Party Data Aggregator, LCH.Clearnet SA shall procure that the Third Party Data Aggregator:
- 7.10.1** acknowledges, and agrees to, the CDS Clearing Member rights as set out in Section 7.4.1;
 - 7.10.2** maintains protections in order to ensure that Market Data is securely and properly protected against theft, damage, loss and unauthorised access;
 - 7.10.3** does not display, disclose, distribute, identify or otherwise make the Market Data available, other than in connection with the Third Party Data Aggregator's permitted use of End of Day Contributed Prices;
 - 7.10.4** consents to the CDS Clearing Member using the Markit LCH Settlement Prices for the purposes set out in Section 7.7 above.
- 7.11** Nothing in this Section 7 or Section 11 prevents LCH.Clearnet SA from:
- 7.11.1** using or disclosing Market Data, Markit LCH Settlement Prices or Aggregated Data where it is required to do so by Applicable Law or where required or formally requested to do so pursuant to an order of a competent court or by a Regulatory Body; or
 - 7.11.2** using (but not displaying, disclosing or identifying) Market Data, Markit LCH Settlement Prices or Aggregated Data (i) upon the advice of the Risk Committee and (ii) in accordance with the terms of the licence granted to LCH.Clearnet SA by the Third Party Data Aggregator.
- 7.12** Nothing in this Section 7 or Section 11 prevents the CDS Clearing Member from using or disclosing Markit LCH Settlement Prices, or other Aggregated Data provided to it, for whatsoever purpose where such Markit LCH Settlement Prices, or other Aggregated Data, as the case may be, are:
- 7.12.1** made available to the public by either LCH.Clearnet SA or a Third Party Data Aggregator, by virtue of Applicable Law, the order of a Regulatory Body or otherwise; or
 - 7.12.2** received by the CDS Clearing Member other than as a result of a breach of any agreement entered into between LCH.Clearnet SA and the CDS Clearing Member (including this Agreement).

- 7.13** Amendments to this Section 7 will become effective if LCH.Clearnet SA obtains the written prior consent of, or receives a written proposal from, at least 50% of Clearing Members by reference to the volume of Open Positions held in the Clearing Members' House Margin Accounts.

8 LANGUAGE

- 8.1** This Agreement and the CDS Clearing Documentation shall be drawn up and issued in English, provided that the CDS Clearing Rule Book shall be drawn up and issued in French for the purpose of its approval by the AMF. Different language versions or translations of this Agreement and/or the CDS Clearing Documentation may also be issued for information purposes.
- 8.2** Subject to Article 1.1.3.8 of the CDS Clearing Rule Book, in the event of inconsistency between different language versions or translations of this Agreement or the CDS Clearing Documentation, the English language version shall prevail.
- 8.3** General communications of LCH.Clearnet SA as well as all applications, filings, correspondence with, and submissions to LCH.Clearnet SA by the CDS Clearing Member may be in either English or in French, unless expressly agreed otherwise by LCH.Clearnet SA. Upon the request of the CDS Clearing Member, any communications issued by LCH.Clearnet SA in French will also be provided in English.
- 8.4** The Persons nominated and notified to LCH.Clearnet SA, pursuant to Article 2.2.1.1(xiii) of the CDS Clearing Rule Book, as being responsible for the clearing operations of the CDS Clearing Member and authorised to act on behalf of the CDS Clearing Member in respect of all transactions with or involving LCH.Clearnet SA under the CDS Clearing Documentation, shall be either English or French-speaking, unless expressly agreed otherwise by LCH.Clearnet SA.

9 TERM AND TERMINATION

- 9.1** This Agreement has been entered into for an indefinite period of time and takes effect on notification by LCH.Clearnet SA of its acceptance of the CDS Clearing Member's application for membership of the CDS Clearing Service and the fulfilment of all conditions precedent imposed by LCH.Clearnet SA on the CDS Clearing Member.
- 9.2** This Agreement shall terminate on the date that termination of the CDS Clearing Member's membership is deemed effective in accordance with the CDS Clearing Rule Book.
- 9.3** The termination of this Agreement is without prejudice to accrued rights and obligations of the CDS Clearing Member under the CDS Clearing Documentation or arising from Cleared Transactions entered into prior to such termination and settlement of all amounts due and payable to, or by, the CDS Clearing Member from, or to, LCH.Clearnet SA (as the case may be) shall be dealt with in accordance with the CDS Clearing Documentation.
- 9.4** Any termination of this Agreement shall be co-ordinated with termination of any agreement providing technical access to LCH.Clearnet SA for the purpose of the CDS Clearing Service provided by LCH.Clearnet SA in accordance with the CDS Clearing Documentation.

10 AMENDMENTS

- 10.1** Subject to Section 7.13, LCH.Clearnet SA shall be permitted to amend this Agreement, as necessary, to comply with a change in Applicable Law or the CDS Clearing Documentation, as soon as such change takes effect, or in accordance with the procedure described in Section 1.2.2 (*Modification*) of the CDS Clearing Rule Book.
- 10.2** LCH.Clearnet SA shall be permitted to amend Schedule 3 to this Agreement from time to time following consultation with the Risk Committee.
- 10.3** The terms of this Agreement (other than the tax representations set out in Schedule 1 to this Agreement and the tax forms set out in Schedule 2 to this Agreement) must at all times be materially equivalent to the terms included in the CDS Admission Agreement that LCH.Clearnet SA has entered into with each other Clearing Member, admitted on the same basis, in relation to the CDS Clearing Service.

11 CONFIDENTIALITY

- 11.1** Each Party ("**Recipient**") undertakes to the other Party (each, a "**Disclosing Party**") to treat as confidential all the information and/or documents, in any form whatsoever, obtained:

11.1.1 in performing this Agreement;

11.1.2 participating in any Clearing Member or LCH.Clearnet SA committees which may be established by LCH.Clearnet SA from time to time;

11.1.3 from the Disclosing Party either directly or from any other person which concerns the business, operations, customers or users of the Disclosing Party including any data and/or electronic data files,

whether or not such items are associated with a notice of confidentiality (the "**Confidential Information**").

- 11.2** The Recipient may only use and disclose the Confidential Information for the purposes of, and in accordance with, this Agreement and the CDS Clearing Documentation (the "**Permitted Purpose**").

- 11.3** The Recipient may only provide its employees, directors, subcontractors and professional advisers (together with their respective employees, directors or any other representatives, subcontractors and professional advisers ("**Permitted Users**")) with access to the Confidential Information on a strict "need-to-know" basis. The Recipient shall ensure that each of its Permitted Users is bound to hold all Confidential Information in confidence to the standard required under this Agreement. Where a Permitted User is not an employee or director of the Recipient (and is not under a professional duty to protect confidentiality) the Recipient shall ensure that the Permitted User shall, prior to receiving the Confidential Information, enter into a written confidentiality undertaking with the Recipient on substantially equivalent terms to this Agreement, a copy of which shall be provided to the Disclosing Party upon request.

- 11.4** In consideration of being given some information or having it made available, the Recipient agrees it shall treat as strictly confidential and shall not disclose or allow to be disclosed to any person:
- 11.4.1** the Confidential Information;
 - 11.4.2** the fact it has received any Confidential Information;
 - 11.4.3** the existence of any discussions or negotiations between the Parties in this matter;
or
 - 11.4.4** details of the Permitted Purpose and any of the proposals, terms, conditions, facts or other matters relating to any of the foregoing,

unless and to the extent it is authorised to do so pursuant to this Section 11.
- 11.5** The Parties acknowledge that property in the Confidential Information shall not pass to the Recipient, and the property of the media on which it is conveyed shall not pass to the Recipient.
- 11.6** This Section 11 does not apply to any information which:
- 11.6.1** is in or subsequently enters the public domain other than as a result of a breach of this Section 11; or
 - 11.6.2** has been or is subsequently received by the Recipient from a third party and the Recipient is under no confidentiality obligation in respect of that information other than under this Agreement; or
 - 11.6.3** has been or is subsequently independently developed by the Recipient without use of the Disclosing Party's Confidential Information; or
 - 11.6.4** the Disclosing Party has agreed in writing may be disclosed.
- 11.7** The CDS Clearing Member agrees to establish and adhere to adequate procedures (including, without limitation, the establishment of appropriate information barriers) and take all steps to ensure that any Permitted User to whom Confidential Information has been disclosed shall not use any part or all of that Confidential Information for any purpose outside the scope of the Permitted Purpose.
- 11.8** Each Permitted User may disclose Confidential Information (or, where the Permitted User is an individual, his or her employer) and give the Disclosing Party prompt advance written notice of the disclosure in accordance with Section 1.2.12 (*Confidentiality*) of the CDS Clearing Rule Book.
- 11.9** Notwithstanding the foregoing, either Party may, in their commercial activities, publicly refer to the name of the CDS Clearing Member and its membership to LCH.Clearnet SA, and LCH.Clearnet SA may (without identifying the CDS Clearing Member) use figures as to the CDS Clearing Member's activity in the compilation of statistics for publication, and for similar purposes provided that the identity of the CDS Clearing Member is not attributable.
- 11.10** The provisions of this Section 11 shall survive any termination of this Agreement but shall expire on the third anniversary of the date the Confidential Information was first provided to the Recipient, without prejudice to confidentiality obligations under any Applicable Law

which would prevent the Recipient from disclosing or using the Confidential Material other than pursuant to and in accordance with this Section 11.

11.11 Upon request by the Disclosing Party, the Recipient shall, as far as practicably possible, promptly return to the Disclosing Party, or destroy (at its discretion), the Confidential Information and all copies thereof in the possession or control of the Recipient, and shall certify in writing that the Permitted User has not retained any of the Confidential Information, except to the extent that the Confidential Information forms part of:

11.11.1 the permanent records of the Recipient which it is bound by applicable legal or regulatory requirement or any compliance policy applicable to it to preserve; or

11.11.2 any electronic records which are customarily backed up in the normal course of the Recipient's business,

in which event the Recipient may retain the Confidential Information in strictest confidence in accordance with the provisions of this Section 11.

11.12 Where the CDS Clearing Member ceases to participate in any Clearing Member or LCH.Clearnet SA committee as may be established by LCH.Clearnet SA from time to time, the CDS Clearing Member shall, to the extent reasonably practicable to do so, promptly:

11.12.1 return to LCH.Clearnet SA by a secure method of transportation all or any part of the Confidential Information; or

11.12.2 destroy such information and shall certify to LCH.Clearnet SA in writing that it has done so,

(at its discretion), provided that the CDS Clearing Member is permitted to retain a copy to the extent that the Confidential Information forms part of the CDS Clearing Member's permanent records which it is bound by applicable legal or regulatory requirement or any compliance policy applicable to it to preserve.

11.13 Without affecting any other rights or remedies that each Party may have, each Party acknowledges that the other may be irrevocably harmed by any breach of the terms of this Section 11 and that damages alone may not necessarily be an adequate remedy. Accordingly, each Party will be entitled to the remedies of injunction, specific performance and other equitable relief, or any combination of these remedies, for any threatened or actual breach of the terms of this Section 11, and no proof of special damages will be necessary to enforce this Agreement.

11.14 The provisions of this Section 11 shall not restrict or otherwise affect the rights of LCH.Clearnet SA to disclose Confidential Information pursuant to and in accordance with Section 1.2.12 (*Confidentiality*) of the CDS Clearing Rule Book. By entering into this Agreement, the CDS Clearing Member expressly consents to the disclosure of information by LCH.Clearnet SA pursuant to and in accordance with the CDS Clearing Rule Book.

12 TAX

12.1 All payments made under or in connection with this Agreement shall be subject to the tax provisions set out in Section 1.2.17 (*Tax*) of the CDS Clearing Rule Book.

- 12.2** LCH.Clearnet SA and the CDS Clearing Member each make to the other, as at the date of this Agreement and at all times prior to termination of this Agreement, the tax representations specified as applicable to it in Schedule 1 to this Agreement.
- 12.3** The tax representations described in Articles 1.2.10.3(xii) and 1.2.17.2 of the CDS Clearing Rule Book are those tax representations set out in Schedule 1 to this Agreement and made pursuant to Section 12.2, as applicable to the relevant Party.
- 12.4** LCH.Clearnet SA and the CDS Clearing Member will deliver to each other the relevant forms, documents or certificates specified as applicable to it in Schedule 2 to this Agreement in each case by the date so specified or, if none is specified, as soon as reasonably practicable following reasonable request from the other Party.
- 12.5** The forms, documents and certificates described at Articles 1.2.17.2, 1.2.17.5 and 1.2.17.6 of the CDS Clearing Rule Book are those forms, documents and certificates specified in Schedule 2 to this Agreement and that are to be delivered pursuant to Section 12.4 above, as applicable to the relevant Party.

13 HEDGING ISDA AGREEMENT

13.1 The Parties agree that:

- 13.1.1** all transactions entered into between them for the purpose of Hedging (each, a "**Hedging Transaction**") will be governed by; and
- 13.1.2** any document, exchange of telexes, exchange of electronic messages on an electronic messaging system or an exchange of emails confirming any such Hedging Transaction (each, a "**Confirmation**") will supplement, form a part of and be subject to,

an agreement in the form of the ISDA 2002 Master Agreement as published by ISDA (the "**Hedging ISDA Agreement**") as if they had executed an agreement in such form (but without any Schedule except for the elections and provisions set out in Section 13.2 below) on the Trade Date of the first such Hedging Transaction between them, notwithstanding anything to the contrary in a Confirmation.

13.2 The following elections and provisions will be incorporated into the Hedging ISDA Agreement:

- 13.2.1** English law will be the governing law;
- 13.2.2** the Automatic Early Termination provision of Section 6(a) of the Hedging ISDA Agreement will not apply to LCH.Clearnet SA;
- 13.2.3** the Automatic Early Termination provision of Section 6(a) of the Hedging ISDA Agreement ~~[[will]]~~ apply to the CDS Clearing Member;
- 13.2.4** for the purposes of Sections 3(e) and 3(f), as applicable, of the Hedging ISDA Agreement, LCH.Clearnet SA and the CDS Clearing Member each make the representations specified as applicable to it in Schedule 1 to this Agreement; and
- 13.2.5** for the purposes of Sections 4(a)(i) and 4(a)(ii) of the Hedging ISDA Agreement, LCH.Clearnet SA and the CDS Clearing Member each agree to deliver the tax

forms, documents or certificates specified as applicable to it in Schedule 2 to this Agreement.

13.3 Each Party:

13.3.1 represents to the other Party, on the date of this Agreement and on each date on which it enters into a Hedging Transaction, that it has full knowledge and understanding of the provisions of the Hedging ISDA Agreement; and

13.3.2 agrees that it will perform its obligations under the Hedging ISDA Agreement in accordance with the terms of such Hedging ISDA Agreement.

14 SEVERABILITY

If one or more provisions of this Agreement are deemed to be invalid or ruled to be invalid in application of a statute or regulation or following a final decision of a competent court, the other provisions hereof shall remain in full force and effect.

15 GENERAL

15.1 Nothing in this Agreement shall be deemed to constitute a partnership between the Parties, nor constitute either Party the agent of the other Party for any purpose.

15.2 The rights, powers, remedies and privileges of each Party under this Agreement:

15.2.1 may be exercised as often as necessary;

15.2.2 are cumulative and not exclusive of any rights, powers, remedies and privileges provided by Applicable Law; and

15.2.3 may be waived in writing and specifically. Delay or failure in exercising any right is not a waiver of that right.

15.3 The CDS Clearing Documentation constitutes the entire agreement and understanding of LCH.Clearnet SA and the CDS Clearing Member with respect to its subject matter. LCH.Clearnet SA and the CDS Clearing Member acknowledge that in entering into this Agreement it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to in the CDS Clearing Documentation) and waives all rights and remedies which might otherwise be available to it in respect thereof, except that nothing in the CDS Clearing Documentation will limit or exclude any liability of a Party for fraud.

16 TRANSFER

Subject to the CDS Clearing Documentation, neither this Agreement nor any interest or obligation in or under this Agreement may be transferred (whether by way of security or otherwise) by LCH.Clearnet SA or the CDS Clearing Member without the prior written consent of the other Party.

17 NOTICES

17.1 Any notice or communication to be made under or in connection with this Agreement shall be made in writing to:

17.1.1 The CDS Clearing Member at its registered office or branch (in case the activity is located at the latter), as specified in its application for membership of the CDS Clearing Service; and

17.1.2 LCH.Clearnet SA at its head office at 18, rue du Quatre Septembre, 75002 Paris, France.

17.2 LCH.Clearnet SA shall deliver any notice or communication which is required to be given to the CDS Clearing Member pursuant to the CDS Clearing Documentation by electronic transmission, email, facsimile or telephone to the email address, facsimile number or telephone number specified by the CDS Clearing Member in its application for membership of the CDS Clearing Service. The CDS Clearing Member may, by notice to LCH.Clearnet SA, change the details at which notices or communications are to be given to it.

17.3 The CDS Clearing Member consents to LCH.Clearnet SA providing the address specified pursuant to Section 1.6(ii) of the CDS Dispute Resolution Protocol to any other Clearing Member of the CDS Clearing Service solely for the purposes of sections 1.6(ii) and 9.3 of the CDS Dispute Resolution Protocol.

18 DISPUTE RESOLUTION

18.1 For the avoidance of doubt, all Disputes shall be referred to and finally resolved by arbitration or by litigation, as applicable, in accordance with the CDS Dispute Resolution Protocol, subject to the provisions of Sections 8 (*Disciplinary Proceedings*) and 9 (*Complaint Resolution*) of the Procedures.

18.2 The version of the CDS Dispute Resolution Protocol in force as at the date of execution of this Agreement is attached as Schedule 4 to this Agreement. For the avoidance of doubt, the CDS Dispute Resolution Protocol may be amended from time to time by LCH.Clearnet SA in accordance with Section 1.2.2 (*Modification*) of the CDS Clearing Rule Book.

19 ELECTION OF DOMICILE / PROCESS AGENT

19.1 Without prejudice to the dispute resolution provisions set out in Section 18 above:

19.1.1 the CDS Clearing Member irrevocably elects domicile with [●] at [●] [*CDS Clearing Member: Please specify an entity and address in Paris*] for the purposes of any litigation in accordance with Section 6 of the CDS Dispute Resolution Protocol;

19.1.2 if it is not incorporated in England or Wales, the CDS Clearing Member either:

- (i) irrevocably appoints [●] [*CDS Clearing Member: Please specify an entity in England or enter "NOT APPLICABLE"*] as its agent under the CDS Clearing Documentation (including this Agreement) for service of process; or

- (ii) consents to having service effected upon it at [●][CDS Clearing Member: **Please specify an entity in England or enter "NOT APPLICABLE"**], and agrees that valid service at such branch shall constitute effective service on it,

in any ancillary proceedings before the English courts in connection with any arbitration proceedings pursuant to the CDS Dispute Resolution Protocol; and

19.1.3 LCH.Clearnet SA irrevocably appoints LCH.Clearnet Group Limited at Aldgate House, 33 Aldgate High Street, London EC3N 1EA as its agent under the CDS Clearing Documentation (including this Agreement) for service of process in any ancillary proceedings before the English courts in connection with any arbitration proceedings pursuant to the CDS Dispute Resolution Protocol.

19.2 The CDS Clearing Member may, at its discretion, change its elected domicile in Paris for the purposes of Section 19.1.1 above by giving notice of its new elected domicile in Paris to LCH.Clearnet SA in accordance with Section 17 above. Any document served on the CDS Clearing Member at its former elected domicile (i) before such notification is received by the serving Party or (ii) 15 Business Days after such notification is received by the serving Party will be deemed validly served. For the avoidance of doubt, any document served on the CDS Clearing Member at its new elected domicile in Paris will be deemed validly served as from the date of the relevant notification sent by the CDS Clearing Member.

19.3 If any person appointed as process agent under this Section 19 is unable for any reason to so act, the appointing Party must immediately give notice of this to the other Party in accordance with Section 17 above, and must immediately (and in any event within 7 days of the event taking place) appoint a substitute process agent, in accordance with sub-section 19.1.2(i) or 19.1.3 as applicable, or, in the case of the CDS Clearing Member, an applicable branch located in England or Wales at which it consents to have service effected upon it, in accordance with sub-section 19.1.2(ii).

19.4 If, where applicable, the branch specified under this Section 19 ceases to be able to act in such capacity or no longer has an address in England or Wales, the CDS Clearing Member must immediately give notice of this to LCH.Clearnet SA in accordance with Section 17 above, and must immediately (and in any event within 2 days of the event taking place) select a substitute branch at which it consents to have service effected upon it, in accordance with sub-section 19.1.2(ii), or a process agent, in accordance with sub-section 19.1.2(i).

19.5 Each Party agrees that: (i) service shall be deemed completed on delivery to the relevant process agent appointed under this Section 19; and (ii) failure by such process agent to notify such Party of any process, or failure by such Party to receive such notification, will not invalidate the relevant proceedings.

19.6 The CDS Clearing Member agrees that, where applicable: (i) service shall be deemed completed on delivery to the branch appointed under this Section 19; and (ii) failure by such branch to notify the CDS Clearing Member of any process, or failure by the CDS Clearing Member to receive such notification will not invalidate the relevant proceedings.

19.7 This Section 19 does not affect any other method of service allowed by law.

20 GOVERNING LAW

For the avoidance of doubt, the governing law applicable to this Agreement and any non-contractual obligations arising out of, relating to or having any connection with this Agreement shall be as set out in Section 1.2.14 (*Governing Law*) of the CDS Clearing Rule Book.

SCHEDULE 1**TAX REPRESENTATIONS****Part 1 – Representations made by LCH.Clearnet SA**

For the purposes of Sections 12 and 13 of this Agreement, LCH.Clearnet SA makes the following representation(s):

Payee Tax Representation(s)

(i)

Payer Tax Representation(s)

(ii)

Part 2 – Representations made by the CDS Clearing Member

For the purposes of Sections 12 and 13 of this Agreement, the CDS Clearing Member makes the following representation(s):

Payee Tax Representation(s)

(i)

Payer Tax Representation(s)

(ii)

SCHEDULE 2

TAX FORMS TO BE DELIVERED

Part 1 – Tax forms to be provided by LCH.Clearnet SA

For the purposes of Sections 12 and 13 of this Agreement, LCH.Clearnet SA agrees to deliver the following document(s) in each case by the date specified:

Form/Document/Certificate	Date by which to be delivered
Any form or document accurately completed and in a manner reasonably satisfactory to the CDS Clearing Member that may be required or reasonably requested in order to allow the CDS Clearing Member to make a payment without any deduction or withholding for or on account of any Tax or with deduction or withholding at a reduced rate, including, without limitation, an executed United States Internal Revenue Service Form W-9 or Form W-8BEN and/or W-8ECI (or any successor thereto).	Promptly upon reasonable demand by the CDS Clearing Member.

Part 2 – Tax forms to be provided by the CDS Clearing Member

For the purposes of Sections 12 and 13 of this Agreement, the CDS Clearing Member agrees to deliver the following document(s) in each case by the date specified:

Form/Document/Certificate	Date by which to be delivered
Any form or document accurately completed and in a manner reasonably satisfactory to LCH.Clearnet SA that may be required or reasonably requested in order to allow LCH.Clearnet SA to make a payment without any deduction or withholding for or on account of any Tax or with deduction or withholding at a reduced rate, including, without limitation, an executed United States Internal Revenue Service Form W-9 or Form W-8BEN and/or W-8ECI (or any successor thereto).	Promptly upon reasonable demand by LCH.Clearnet SA.

SCHEDULE 3**FINE GRID**

Breach	Fine (EUR)
Failure to provide a complete price submission file on a Clearing Day as part of the price submission procedure set out in Section 5 of the Procedures.	10,000

SCHEDULE 4
CDS DISPUTE RESOLUTION PROTOCOL

[VERSION IN FORCE AS AT THE DATE OF EXECUTION OF THE AGREEMENT TO BE INSERTED]

THIS AGREEMENT has been duly signed in duplicate in _____ (place) on

_____ (date),

By _____

LCH.Clearnet SA

Name:

Title:

By _____

[CDS Clearing Member]

Name:

Title: